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February 7, 2012

## **Via Electronic Filing**

Marlene H. Dortch, Secretary Federal Communications Commission 445 12<sup>th</sup> Street, S.W. Washington, D.C. 20554

Re: Notice of Ex Parte Presentation In the Matter of Connect America Fund WC Docket No. 10-90; A National Broadband Plan for Our Future GN Docket No. 09-51; Establishing Just and Reasonable Rates for Local Exchange Carriers WC Docket No. 07-135; High-Cost Universal Service Support WC Docket No. 05-337; Developing an Unified Intercarrier Compensation Regime CC Docket No. 01-92; Federal-State Joint Board on Universal Service CC Docket No. 96-45; Lifeline and Link-Up WC Docket No. 03-109; and Universal Service Reform Mobility Fund Docket WT Docket No. 10-208

Dear Ms. Dortch:

On February 6, 2012, Keith Oliver, on behalf of Home Telephone Company, Ben Spearman on behalf of PBT Telecom, Inc. d/b/a Comporium, and I, on behalf of the Rural Broadband Alliance ("RBA") met with Angela Kronenberg, Legal Advisor to Commissioner Clyburn. The purpose of our meeting was to discuss concerns related to the Commission's Order issued on November 18, 2012, in the above-referenced proceedings.

Specifically, we discussed our concerns that the rules adopted by the FCC will reduce the recovery of the aggregate of interstate access and USF revenues currently received by rural carriers to recover the established investments and operating expenses incurred to provide universal service. We explained that this result is inequitable and that no carrier should be denied the opportunity to recover its established investments and expenses unless that carrier's particular investments or expenses are determined by the Commission to be imprudent or not to be "used and useful" in accordance with the standards applicable when the investments and expenses were incurred.

We explained our concern that the November 18 Order disallows the recovery of existing investments and expenses without providing a carrier with a fair opportunity to be heard. Moreover, we indicated our trust that it was not the intent of the Commission to deem any investments or expenses to be imprudent or not to be "used and useful" in any instance where the investments and expenses are utilized in the provision of services within the standards established by

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the RUS or consistent with network and operational plans approved by the RUS or NTIA. We urged that the Commission should act expediently to confirm that this was not the Commission's intent in order to alleviate the uncertainty and instability that has impacted the efforts of rural carriers to serve their rural communities.

We also urged that the Commission should modify the language in its November 18 Order related to the provision of waivers of its new rules. Although the Commission provided a waiver process to enable carriers to obtain additional support in instances where the impact of the new FCC rules jeopardized their ability to continue to provide universal service, the standards established for grant of such waivers virtually assure that this objective will not be achieved. Accordingly, the waiver process should be modified by the Commission to ensure that a carrier that has made "used and useful" investments and incurred "reasonable" expenses in the provision of service should not have to undertake an unreasonably burdensome and costly waiver process.

I am filing this letter electronically with your office for inclusion in the record of each of the above-referenced proceedings pursuant to the Commission's Rules. If you have any questions, please do not hesitate to contact me at 202-333-1770.

Sincerely,

s/ Stephen G. Kraskin

cc: Angela Kronenberg